



PRESS RELEASE

FOR IMMEDIATE RELEASE
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FLAGSTAFF CAR DEALERSHIP FRAUD INDICTED

PHOENIX, ARIZONA -- The United States Attorney's Office for the District of Arizona announced that on January 16, 2003, a federal grand jury at Phoenix, Arizona, returned a thirty-eight count indictment against the following thirteen defendants:

1. Jay J. Wigdore, 6/15/58, Phoenix, Arizona
2. Steven Joseph Fiorentino, 6/6/54, Phoenix, Arizona
3. James Edward Stephenson, 4/15/46, Phoenix, Arizona
4. Clayton Scott Adams, 3/25/58, Phoenix, Arizona
5. Russ Lynn Alexander, 3/11/68, Phoenix, Arizona
6. Dale Jon Bruemmer, 1/19/61, Phoenix, Arizona
7. Robert Lewis Canfield, 11/9/59, Page, Arizona
8. Leonard Peter Cardone, 2/13/71, Phoenix, Arizona
9. Brandon M. Fiorentino, 7/19/79, Glendale, Arizona
10. Jason M. Hibbard, 8/10/74, Reno, Nevada
11. Jeff Blake Heimann, 4/29/62, Cave Creek, Arizona
12. Phil Joseph Macaluso, 2/16/48, Las Vegas, Nevada

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13. Christopher Lee Stromberg, 5/7/61, Nottingham, New, Hampshire

The indictment alleges that from January, 1998 through October, 2000, while employed at Joe Florek VW in Flagstaff, Arizona and Gray Mountain Auto Connection in Gray Mountain, Arizona, the defendants engaged in a massive scheme to defraud fifteen lending institutions, two automotive extended warranty companies, wholesale auto auctions and the consuming public who purchased automobiles from the dealership. The indictment also alleges the defendants specifically targeted Native Americans throughout Northern Arizona in the execution of their scheme.

The federal indictment charges six counts of violating Title 18, United States Code, Section 1341 (Mail Fraud), eleven counts of violating Title 18, United States Code, Section 1343 (Wire Fraud), nineteen counts of violating Title 18, United States Code, Section 1344 (Bank Fraud) and one count of violating Title 18, United States Code, Section 371 (Conspiracy). Not all defendants are named in all counts.

A conviction for Mail Fraud carries a maximum penalty per count of five years in prison, a \$250,000 fine or both. A conviction for Wire Fraud carries a maximum penalty per count of five years in prison, a \$250,000 fine or both. A conviction for Bank Fraud carries a maximum penalty per count of thirty years in prison, a \$1,000,000 fine, or both. A conviction for Conspiracy carries a maximum penalty of five years in prison, a \$250,000 fine, or both.

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An indictment is simply the method by which a person is charged with criminal activity and raises no inference of guilt. An individual is presumed innocent until competent evidence is presented to a jury that establishes guilt beyond a reasonable doubt.

The investigation preceding the indictment was conducted by the Federal Bureau of Investigation (Phoenix and Flagstaff Offices) with the assistance of the Arizona Department of Public Safety, the City of Flagstaff Police Department, the Coconino County Sheriff's Department, the Arizona Department of Motor Vehicles and the Arizona Department of Liquor Licenses and Control.

The prosecution is being handled by Mark E. Aspey, Assistant United States Attorney, District of Arizona, Flagstaff, Arizona.

CASE NUMBER: CR-03-049-PCT-MHM
RELEASE NUMBER: 2003-015

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